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FLOOR DEBATE

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any shortfall in the operation of the MEWA. By the way, to the extent that the employers leave the MEWA, but they have continuing contractual obligations, they will be bound by those as well, even though they leave the MEWA. The Department of Insurance will get a...an annual financial statement, a fee of \$200. There will also be a qualified actuary that sets the rates charge...charged, and the reserves have to be adequate to pay the claims and associated expenses with this self-insurance mechanism. The director is empowered to revoke the certificate of registration in the event they don't comply with the law. And lastly, a recognition that since this is self-insurance, it is not the practice of the sale of insurance as you would have if somebody opened up an insurance agency...company, rather, and sold to anybody. This is for those employers who are part of a preexisting association, who as one of its benefits create a health-buying pool, a self-insurance mechanism. We're going to see that they exist, we're going to see...we're going to oversee their...their existence. We're going to be able to send them out of business, we're going to have their financial reports, we're going to require an actuary, and we're going to require them to bear each other's losses as well as have a stop-loss treaty. That's what the MEWA bill does. It's the department's best estimate at trying to find a workable system of regulation that fits someplace in the spectrum, reasonably in the middle of what states do in this area. It was reported out unanimously and the proponents were: the Department of Insurance; Blue Cross Blue Shield; the Nebraska Bankers Association, that has a MEWA; the New Car and Truck Dealers, they have a MEWA; the Nebraska Hospital Association; and the Nebraska Insurance Federation. There were no opponents. That's the underlying bill, LB 1139.

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: Senator Landis, you're recognized to open on the committee amendments.

SENATOR LANDIS: There are committee amendments, and they come about because we took the Insurance Department's clean-up bill, which was LB 1092, and we separated it into two parts. We separated out the parts that had to do with the title insurance area. I think, in fact, it was Senator Jensen's idea, so that